

10.00am, Thursday, 21 September 2017

Edinburgh Festivals 70th Anniversary Legacy

Item number	8.2
Report number	
Executive	
Wards	All

Executive summary

At its meeting on [24 August 2017](#), City of Edinburgh Council approved a Coalition Motion on Edinburgh Festivals 70th Anniversary Legacy report which was presented. The motion called for Council to:

- Approve, in principle a financial contribution of £1m per annum for the five financial years 2018-2023 towards the Platforms for Creative Excellence (PlaCE) programme, on the understanding that this will be matched by equal contributions from the Scottish Government and the Edinburgh Festivals.
- Agree to work with Scottish Government and Festivals Edinburgh to create an independent short-life Investment Advisory Group to interrogate options and to recommend a future fundraising vehicle to support Edinburgh's cultural ecosystem including its major festivals.
- Note that any Council contribution to this programme will be subject to the full budget process and full details of the PlaCE proposal coming back to full Council in September 2017.

In addition, an element of the Green Group Addendum on this report was also approved:

- To provide a further report on the detail of these funding proposals to include how the impact on other Council activities can be mitigated given the Council's existing funding for festivals and also how inclusive opportunities, including community-based arts and skills development can be realised.

Following Council approval in principle to support the PlaCE programme the Scottish Government subsequently confirmed their support for the scheme as have the 11 member festivals of Festivals Edinburgh. Details of the PlaCE Programme are set out below.

Edinburgh Festivals 70th Anniversary Legacy

1. Recommendations

- 1.1 That the Council notes the PlaCE programme outlined below, to be delivered in partnership with the Scottish Government and the 11 major Edinburgh Festivals.
- 1.2 The Council's contribution to this programme will be subject to the full budget process 2018-2023.

2. Background

- 2.1 [Thundering Hooves 2.0](#) is a ten-year strategy to sustain the success of Edinburgh's Festivals from 2015 to 2025, endorsed by all the key stakeholders represented on the [Festivals Forum](#), including the City of Edinburgh Council and the Scottish Government. The report recognises the significant challenges facing public finances but urges that funders maintain core and project funding while alternative funding models are considered. The [Edinburgh Tourism Action Group \(ETAG\) 2020 Strategy Mid-Term Review](#) reinforced this call for continued investment in Edinburgh's Festivals as key city assets in terms of growing jobs and impact for the tourism economy.
- 2.2 Thundering Hooves 2.0 recognised how innovation in programme, enterprise and investment had successfully allowed the festivals to weather the economic downturn. In the five-year period leading up to the report, core grant funding to the Festivals was eroded by 15% or £1.16m in real terms.
- 2.3 In the same period the Festivals increased earned income by 35% or £6.3m, including replacing all major financial services sponsors and securing new corporate and individual support.
- 2.4 Costs continued to rise well above inflation, including in areas of charging such as travel and artists' costs, licensing, policing, traffic management and visa administration. At the same time, management capacity has been stretched to protect programming and engagement work, while servicing the increased requirements of diverse funders.
- 2.5 Now, two years after Thundering Hooves 2.0 was published, the PlaCE programme offers the first opportunity to address core funding issues, while policy discussions continue about how to realise longer-term sustainable funding mechanisms that lever up support from a wider range of beneficiaries.

3. Main report

- 3.1 Thundering Hooves 2.0 characterised the past five years as a period where short-term project grants increasingly replaced core grants. The forward five-year horizon of this investment programme is therefore critical to enable the Festivals to enter into longer-term and more innovative programming partnerships.
- 3.2 It is proposed that the design of the PlaCE programme avoids a short-term project proposal structure and focuses on an in-principle commitment of risk funding for the programme lifetime against a statement of purpose from each Festival. Impacts of the investment across the Festivals will vary according to their missions – the range of potential impacts is illustrated below:
1. **Global reputation** increased and the standing of Scotland enhanced as international partner of choice for culture and creativity.
 2. **Inclusive opportunities** created in disadvantaged areas, with schools, clubs and communities sharing world class experiences that increase motivation, confidence and cohesion for diverse new audiences – helping to raise aspiration and attainment.
 3. **Strengthened communities** benefiting from local artists and cultural activists connecting with national and international partners and developing their ability to use culture for inclusive social and economic development.
 4. **New export platforms** developed for creative product, live and digital, to share the best of Scottish work from local organisations country-wide with wider audiences.
 5. **New markets** opened up for Scotland in key countries which are targets for talent attraction, investment promotion and national reputation.
 6. **Visitor numbers** increased through strengthening the Festivals as one of Scotland's most powerful 'reasons to visit' and providing a platform for Scotland-wide growth.
 7. **Tourism season** extended through initiating new focal points during shoulder seasons in winter and late spring.
- 3.3 The programme award decisions will look to achieve portfolio balance across the range of potential outcomes and the different drivers for the three funding partners, based on the need to address the Thundering Hooves 2.0 competitiveness and sustainability themes around National and Global Positioning, Deep and Wide Engagement, and Digital Ways and Means.
- 3.4 The PlaCE programme set out below will activate the further cultural, social and economic benefits that can be delivered by the full spectrum of Festivals Edinburgh members by supporting them to focus on two critical success factors for continued growth in impact:
- the quality and innovation of the festivals' core cultural offer, without which the wider impacts for audiences, businesses and communities cannot be realised; and
 - the development of a range of skills opportunities for school leavers, graduates and early career workers, to develop the skills base for the festivals and improve young people's chances for employment in wider service industries.

- 3.5 In the area of inclusive opportunities, including community-based arts and skills development, Festivals have the opportunity to bring forward proposals building on their current outreach work to address wellbeing, attainment and aspiration challenges. Examples of current good practice models that illustrate the potential to enhance community engagement and open up access to new thinking, role models and opportunities include Edinburgh International Science Festival's [Generation Science](#) programme, Edinburgh International Film Festival's [Young Film Programmer](#) team, the Fringe Society's support for participation by [looked after children](#), Edinburgh International Children's Festival [Wee Night Out](#), Edinburgh International Festival's [Castlebrae High School](#) collaboration and Edinburgh International Book Festival's [Booked!](#) programme. The programme also presents the opportunity to build on the annual engagement with nearly 500 local independent artists and over 80 local arts organisations by our major Festivals, as mapped out in a presentation to the [CEC Culture and Sport Committee](#) in October 2016.

Programming innovation strand (75% of programme funds)

Objective	To secure world-leading status of Edinburgh's festivals as creative partners and unique places of cultural discovery for visiting audiences
Outputs	Number of global and European premieres; number of new co-commissions; number of multi-year national and international programming partnerships; number of onward tours of work; growth trend of economic and qualitative impacts in 2020 Impact Study; number of employment opportunities for artists and production staff
Value	£11.25m over five years - £2.25m gross per annum (per annum – City of Edinburgh Council £0.75m, Scottish Government £0.75m and £0.75m total match funding across the Festivals from generating partner income and covering additional costs and staffing)

Skills development strand (25% of programme funds)

Objective	To increase skills development and employment opportunities for school leavers, graduates and early career workers using the Edinburgh festivals platform
Outputs	Number of additional full time employment (FTE) placements and opportunities generated per year; number of additional people completing skills programmes; number of career development opportunities for artists
Value	£3.75m over five years - £0.75m gross per annum

	(per annum – City of Edinburgh Council £0.25m, Scottish Government £0.25m and £0.25m total match funding across the Festivals from generating partner income and covering additional costs and staffing)
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- 3.6 The skills strand reflects the capacity of the Festivals to manage high quality additional skills development opportunities given the development and supervisory time required.
- 3.7 The Festivals and the cultural infrastructure that supports and enables them to thrive and grow are some of Scotland's world-leading cultural brands and are critical to Edinburgh's success. They are also a cornerstone to the Edinburgh and wider Scottish tourism and business sectors as they act as economic powerhouses and tourism gateways, boost civic pride and give the city and Scotland an international profile.
- 3.8 With this proposed investment, the substantial benefits that Edinburgh's tourism and cultural sector brings will inevitably be enhanced over the period 2018-2023. Currently the budget framework 2018-2023 includes provision of £1m per annum to meet the Council's share of this partnership agreement.

4. Measures of success

- 4.1 Number of additional full time employment (FTE) placements and opportunities generated per year.
- 4.2 Number of additional people completing skills programmes.
- 4.3 Number of employment opportunities for artists and production staff.
- 4.4 Number of career development opportunities for artists and creatives.

5. Financial impact

- 5.1 The 2018-2023 revenue budget framework includes provision of £1m per annum to meet the Council's share of this partnership agreement. This expenditure requirement will be considered against the wider Council's residual savings and commitments to the City Region Deal programme to which a detailed year by year resource plan is currently being prepared.
- 5.2 This expenditure will be the subject of a detailed business plan, to be approved by the Culture and Communities committee. The expenditure and resulting impacts will also be reported during the term of the agreement.

6. Risk, policy, compliance and governance impact

- 6.1 There are no risk, compliance or governance impacts arising from this report's recommendations.

7. Equalities impact

7.1 There are no direct equalities impact from his report.

8. Sustainability impact

8.1 The impacts of this report have been considered in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties, and the outcomes are positive; supporting the Festivals sustains the city's economic health.

9. Consultation and engagement

9.1 Consultation and engagement with the 11 Festivals Directors who make up the membership of Festivals Edinburgh, and Festivals Edinburgh Executives have informed this report.

10. Background reading/external references

None

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11. Appendices

None.